Office of the Assistant Deputy Under Secretary of Defense
(Logistics and Materiel Readiness)
Materiel Readiness and Maintenance Policy

Product Support Goal

Warfighter Combat Capability

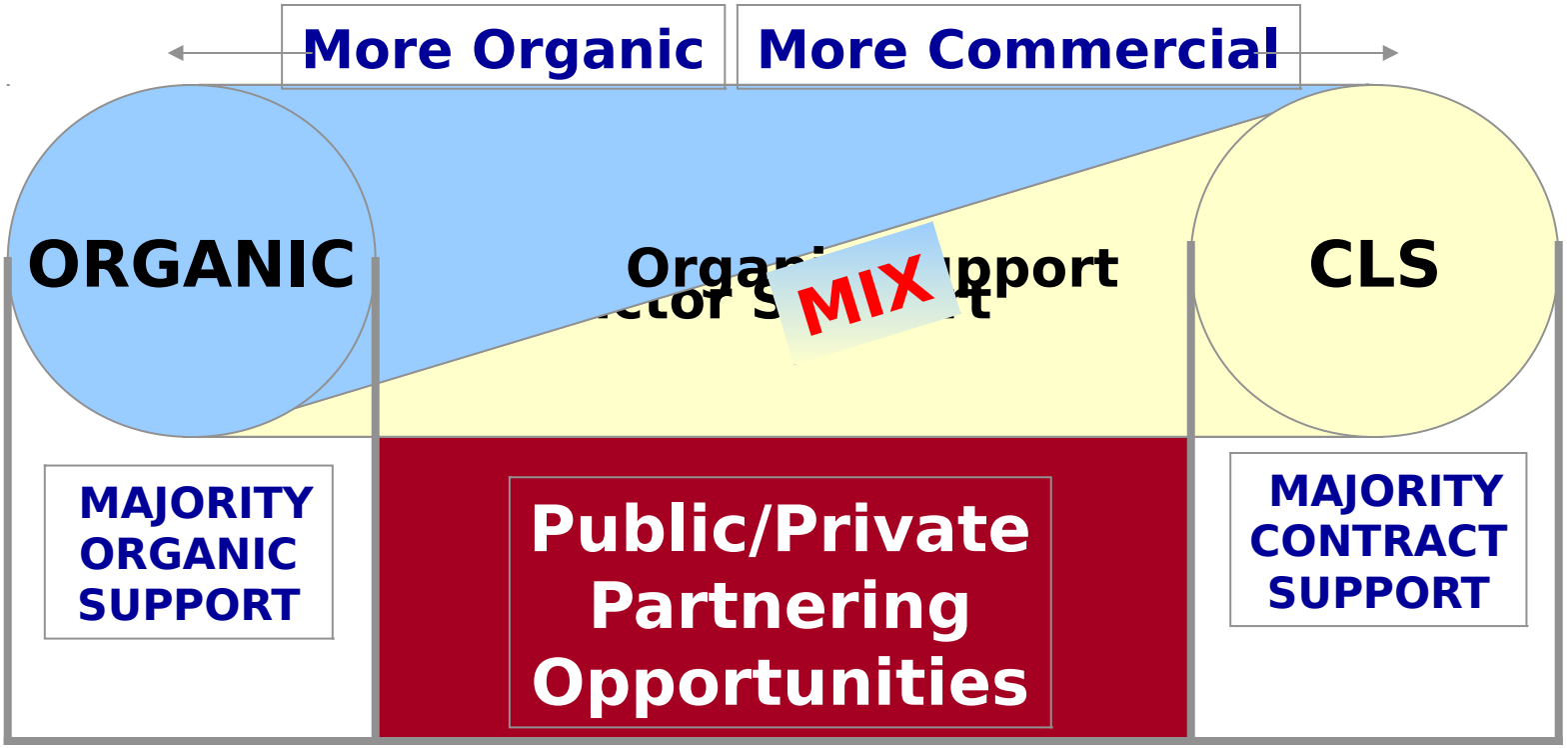
Ensure a Ready and Controlled Source Capable of Providing Combat Ready Weapon Systems Anytime and Anywhere Efficiently and Effectively.

What Is "Partnering"

- **Partnering is a Logistics Sustainment Philosophy involving a Cooperative Agreement among:**
  - **Program and/or System Support Manager**
  - **Original Equipment Manufacturer and/or other Private Sector Firm[s]**
  - **Service Maintenance Depot[s]**
- **DoD's Goals for Partnering include:**
  - **More Responsive Product Support**
  - **Increased Facility Utilization**
  - **Improved Depot Processes and Technology**
  - **Reduced Cost of Ownership**

Partnering is a Cooperative Effort
Not a Competitive Engagement

When Should We Partner?



GOAL: Leverage Innovative Concepts of the Private and Public Sectors to Support the Warfighter at the Best Value for the Department of Defense and the Taxpayer

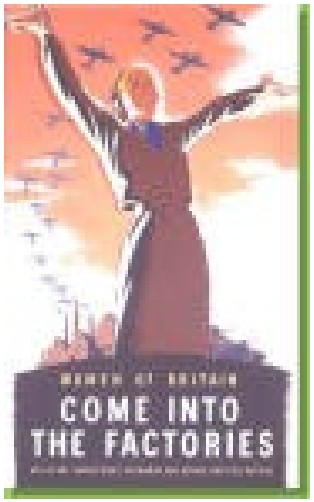
Available Depot Capabilities

Depot Capabilities that are available through partnering:

Manufacturing – Including the fabrication of parts, assembly of components, final assembly, and painting of end items.

Repair – Including diagnostics, refurbishment, overhaul, and rebuild.

Technical Services – Including testing and analysis, repair process design, and in-service engineering.



All Stakeholders Can Benefit from Depot Maintenance Partnering

DoD Program Manager:
- Avoid Investments in Duplicative Capabilities
- Permit Single-Point Accountability
- Compliance with Statutory Constraints

Warfighter:
- Improved Logistical Support
- Improved Responsiveness
- Technology Infusion
- Increased Reliability

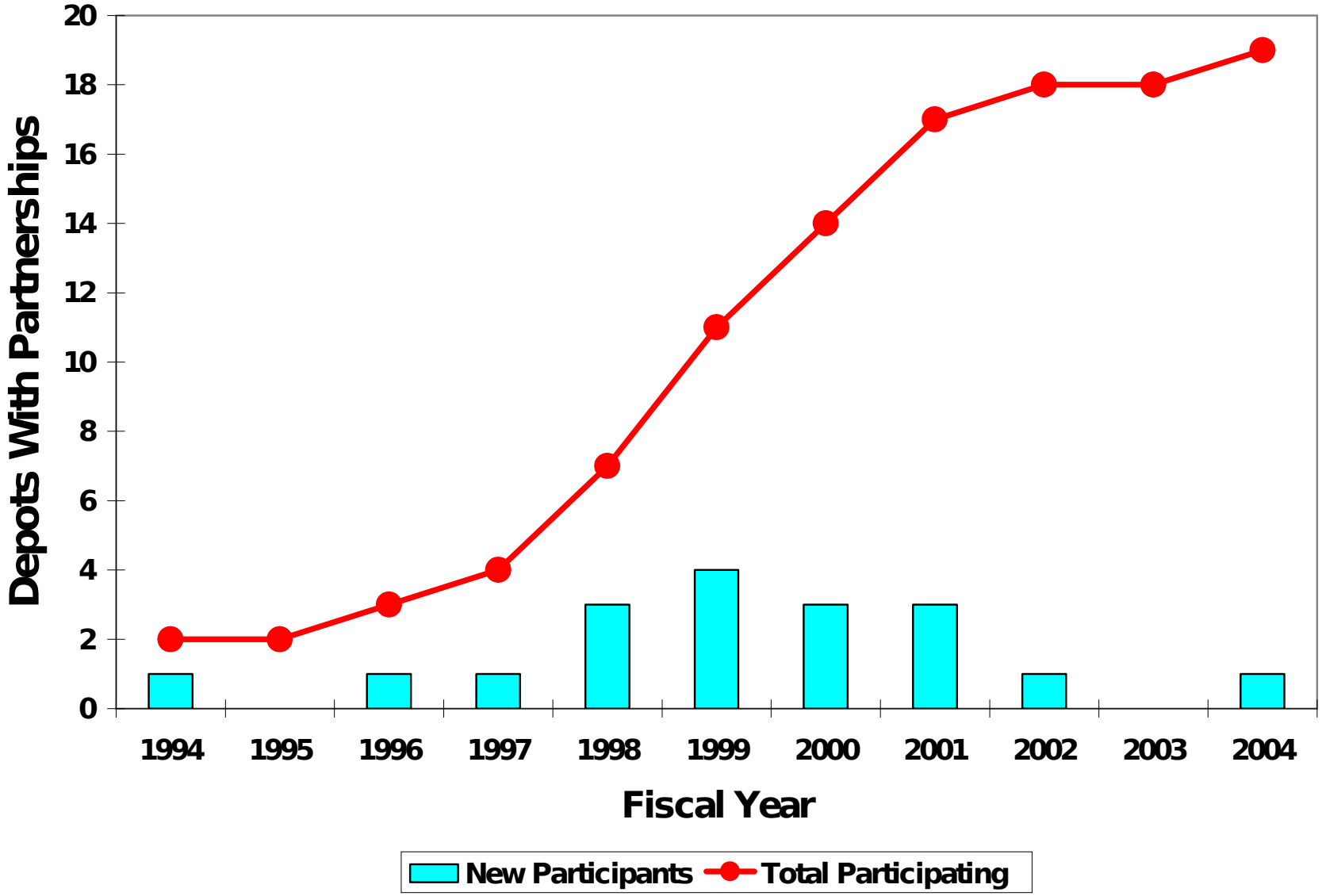
Commercial Firms:
- Access to Process Permits
- Minimize Process Flows
- Long-term Agreements
- Avoid Investment in Duplicative Capabilities

Organic Depots:
- New Investments
- Preserve Skilled Workforce
- Enhance Operating Efficiency
- Access to Technical Support

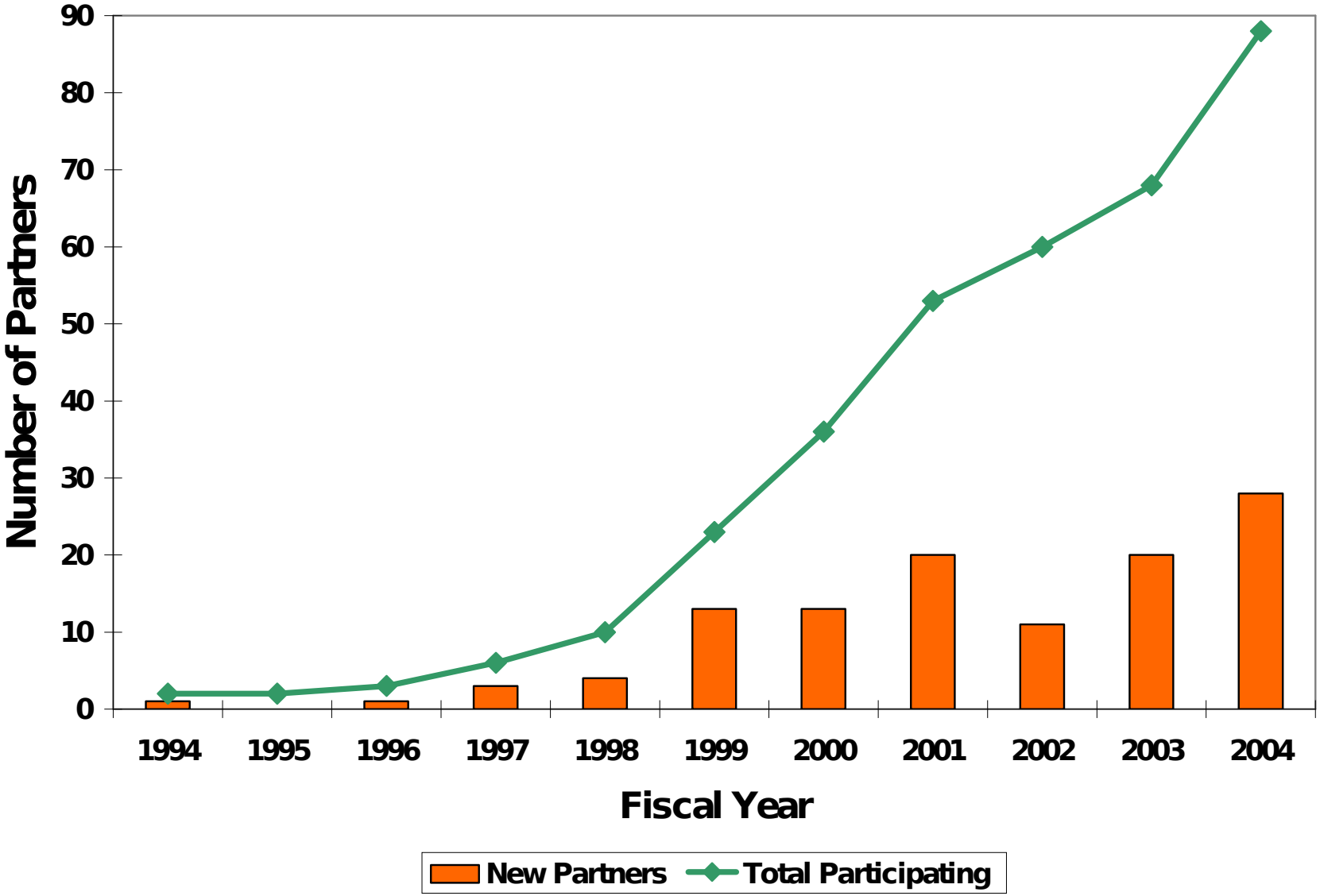
Partnering is a PBL Enabler

- **Depot maintenance partnerships can be an effective mechanism for fully implementing a Performance Based Logistics strategy, while complying with Title 10 requirements**
- **Strategy: When the PBL contractor subcontracts an appropriate portion of the depot maintenance workload to a public sector maintenance depot, this support provides:**
  - **Compliance with core logistics and the 50 percent limitation**
  - **Single point accountability and responsibility in the PBL contractor**

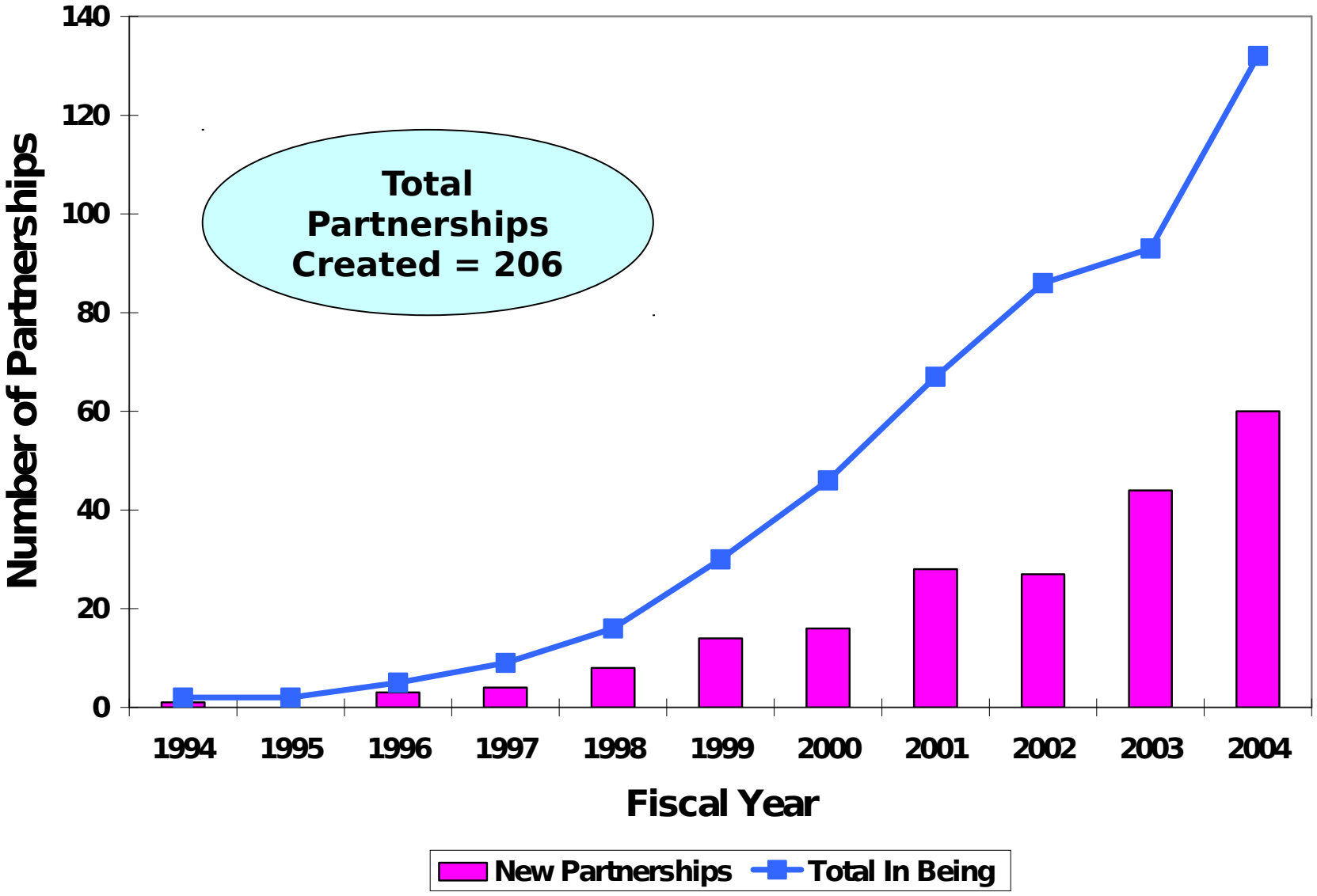
Growth in Partnering Depots



Growth in Industry Partners



Growth in Partnerships

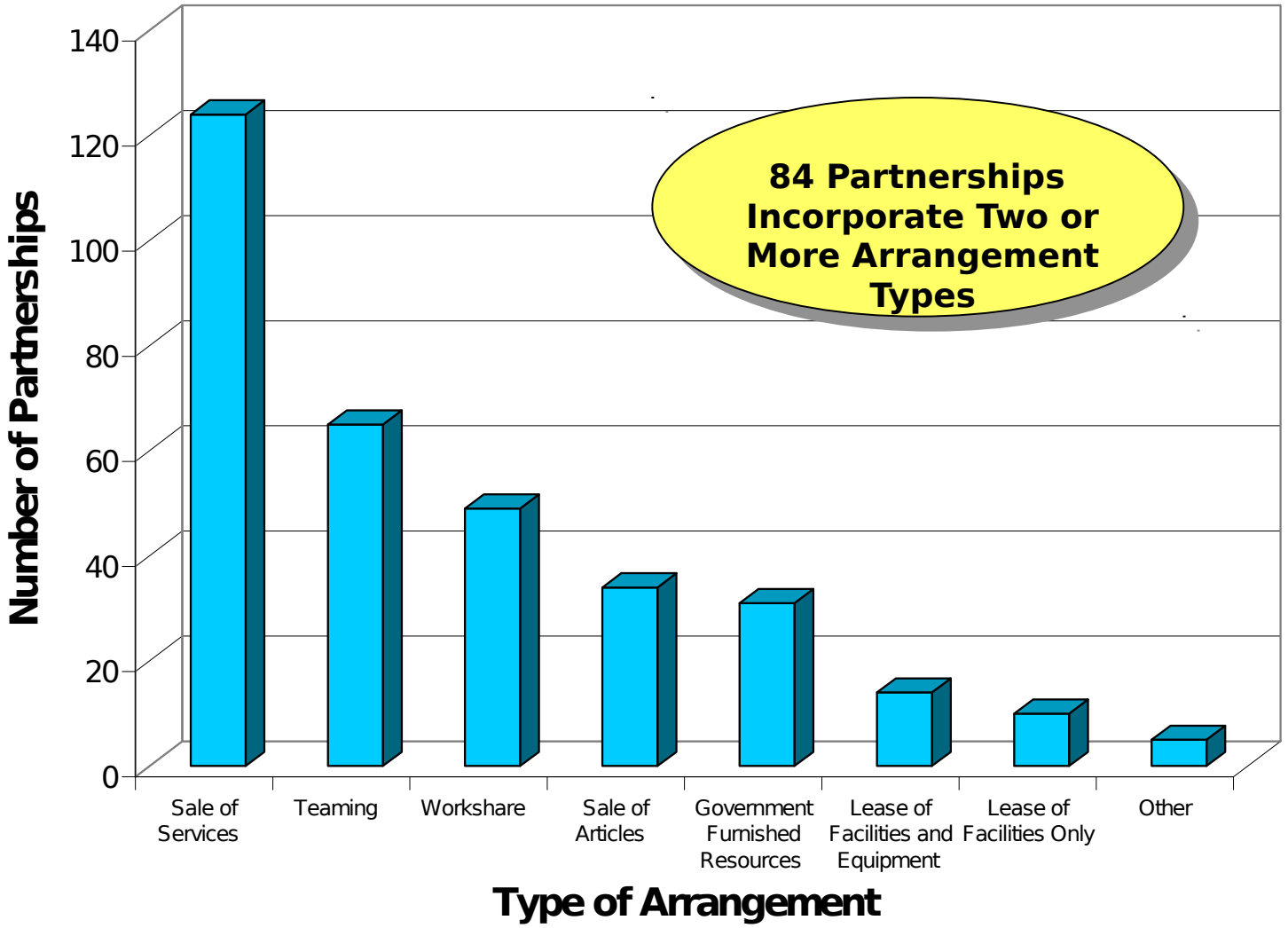


Depot Maintenance Partnerships Can Take Many Forms

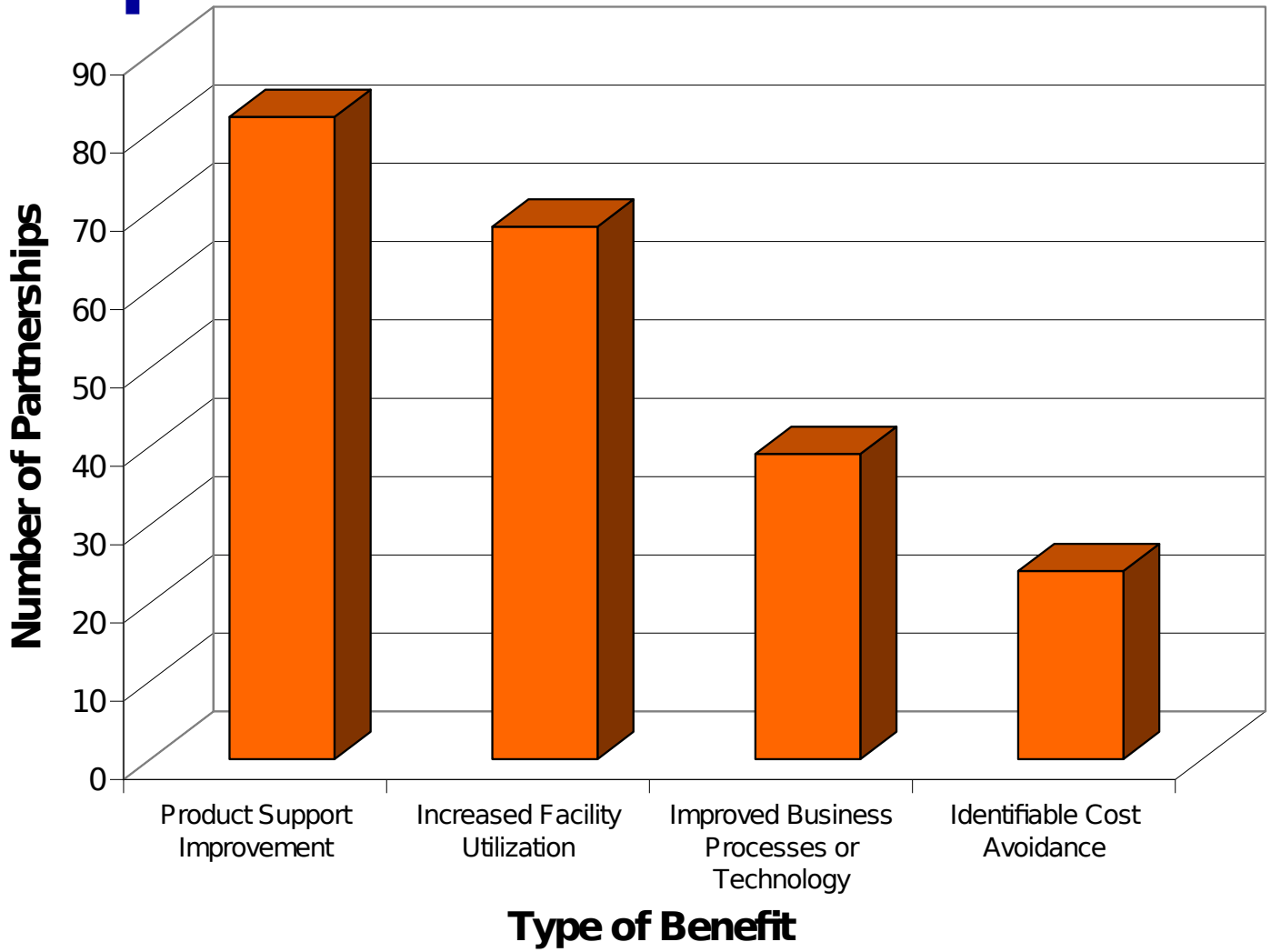
Range of Possibilities Includes:

- Depot provides articles and/or services to industry
- Industry leases depot equipment and/or facilities
  - Performs work for either the public or private sector
- Worksharing arrangements
- Teaming arrangements where depot and industry jointly contract with a Program Manager

Distribution by Type of Partnership Arrangement



Benefits Are Being Realized From Depot Maintenance Partnerships



“Stryker” Vehicle

Partners

Anniston Army Depot

General Dynamics Land Systems

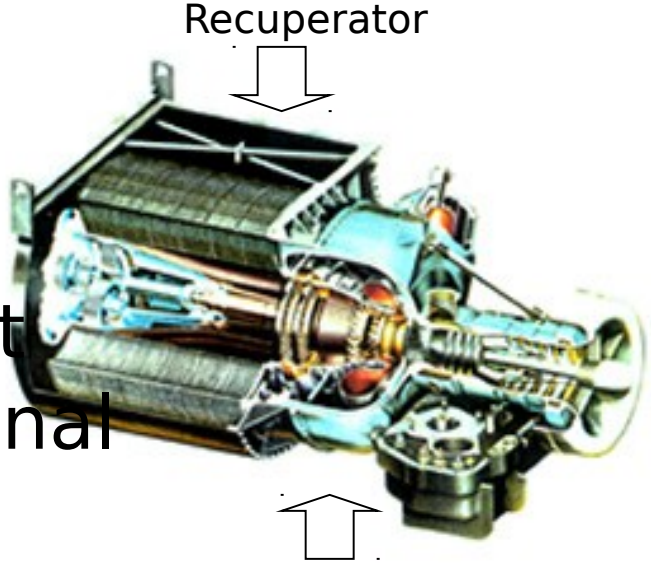
Scope

Stryker Vehicle Assembly

AGT 1500 Recuperator

Partners

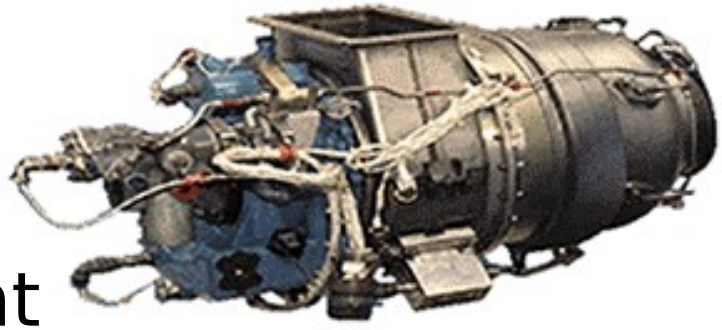
Anniston Army Depot
Honeywell International



Scope

Recuperator Manufacturing

Auxiliary Power Units



Partners

NADEP Cherry Point

Honeywell International

CAT Logistics

Scope

Repair of APUs and field technical support

F/A-18E/F
Integrated Readiness Support Teaming (FIRST)

Partners

NADEPs (3)

Boeing Military Aerospace Support

Scope

NADEPs provide depot repair for unique components

JSTARS

Joint Surveillance Target Attack Radar System

Partners

Warner Robins Air Logistics Center
Northrop Grumman

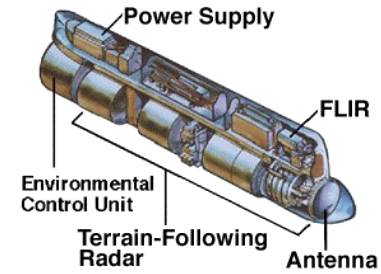
Scope

Repair and maintenance of:

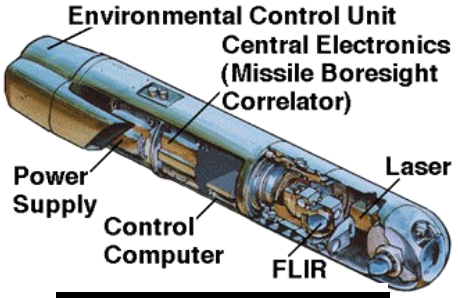
- Prime mission equipment
- Ground support systems
- Software

LANTIRN

Low Altitude Navigation and Targeting Infrared for Night



Navigation Pod AN/AAQ-13



Targeting Pod AN/AAQ-14

Partners

Warner Robins Air Logistics Center

Lockheed Martin

Scope

On-Site Repair and Maintenance of:

- Shop-Replicable Units (by WR-ALC)
- Line-Replaceable Units (by LM)
- Complete Pods and Modules (by LM)

B-2 Composites

Partners

Ogden Air Logistics Center
Northrop Grumman

Scope

Manufacture and repair of

- Composites
- Low-observable components

Conclusion

Partnering Can be a Winning Strategy for All

- **Win for Warfighter**
  - **A Weapon System—Ready When Needed**
- **Win for Acquisition Offices**
  - **Single-Point Accountability to Maximum Extent Practicable**
  - **Optimum Solutions for Weapon System Balanced with Overall Service Objectives**
- **Win for Industry**
  - **Utilization of Existing & New Organic Investments**
  - **Profits / Reputation Associated With Partnerships**
- **Win for Organic Maintenance Depots**

For Further Information About Partnering, Go To:

http://www.acq.osd.mil/log/logistics_materiel_readiness/organizations/mppr/html/dmp.htm

Reference Charts

- Authorities and Additional Examples -

General Themes of Partnering Authorities

- Partnerships can exist without statutory authority
- Statutory authorities have restrictions, conditions
- Depot involvement generally supports
  - Existing DoD contracts or
  - Goods/services not available in private sector
- Generally, government will not compete with private sector
- In some cases proceeds reimburse the DoD account incurring partnership-related costs

Authorities

10 USC 2208(j)	Sale of articles and services outside DoD by Working Capital-Funded activities
10 USC 2474	Establishes Centers of Industrial and Technical Excellence (CITEs) and partnering authorities
10 USC 2539b	Sale of services for testing of materials, equipment computer software, & other items
10 USC 2563	Sale of articles and services by industrial facilities (other than 10 USC 4543)
10 USC 2667	Leasing of non-excess facilities and equipment
10 USC 4543	Sale of articles and services by facilities that manufacture cannons, gun mounts, etc.

Authorities (continued)

10 USC 7300	Naval shipyard sale of articles and services for fulfillment of contracts for nuclear ships.
22 USC 2754	Sale or lease of articles and services to friendly foreign countries
22 USC 2770	Sale of articles and services to a U.S. company for incorporation into end items to be sold to friendly foreign countries
FAR 45.3	Permits provision of government-furnished material, facilities and equipment to contractors
FAR 45.4	Provides for contractor use and rental of government property

Army Examples

- **M1/M1A2 Upgrade at Anniston with General Dynamics**
  - Disassemble, hull upgrade, turret demil, overhaul of subassemblies & components - Ship to Lima OH
- **Firefinder Block II Program at Tobyhanna with Raytheon**
  - Design, fabricate, & integrate prime power group & vehicle communications
- **Multiple Launch Rocket System M270A1 at Red River with Lockheed Martin**
  - Overhaul vehicle and ship to L-M for integration of upgrades
- **M1 Recuperator Facility Use at Anniston by Honeywell**
  - Provide 30K sqft of former warehouse space to Honeywell for

Navy Examples

- **F/A-18E/F Components at All Naval Air Depots with Boeing**
  - Performance based logistics with organic depots providing repair services
- **Auxiliary Power Unit - Direct Vendor Deliver at Cherry Point with Honeywell**
  - Repair of items and field team support
- **Amphibious Assault Vehicle - RAM & Rebuild to Standard at Albany with United Defense**
  - Disassemble vehicles, ship bare hulls to United Defense for modification, upon return finish rebuild
- **AV-8B Remanufacture Program at Cherry Point with Boeing-BAE Team**
  - Disassemble aircraft & reuse/refurbish components for stock

Air Force Examples

- **C-17 Structures and Avionics at Warner-Robins with Boeing**
  - Identify hidden defects, deteriorating conditions, corrosion, fatigue, overstress, & other structure conditions
- **JSTARS Total System Support Responsibility at Warner-Robins with Northrop Grumman**
  - Provide repair of prime mission equipment, software support, and backshop functions
- **B-2 Composite Manufacture & Repair at Ogden with Northrop Grumman**
  - Manufacture and repair of composite & low observable components
- **LANTIRN Phase I at Warner-Robins by Lockheed Martin**